

P-999/C-88-615GRANTING RED WING LONG DISTANCE SERVICE ADDITIONAL TIME TO  
FILE AVERAGED RATE SCHEDULE

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of the Petition of the Office of  
the Attorney General for an Order Concerning  
Geographically Deaveraged Long-Distance  
Rates

ISSUE DATE: April 20, 1989

DOCKET NO. P-999/C-88-615

ORDER GRANTING RED WING LONG  
DISTANCE SERVICE ADDITIONAL TIME  
TO FILE AVERAGED RATE SCHEDULE

PROCEDURAL HISTORY

On September 6, 1988 the Residential Utilities Division of the Office of the Attorney General filed a petition alleging that the Commission's longstanding policy against geographically deaveraged long distance rates was being eroded in practice by the approval of individual rate structures containing geographical deaveraging. On November 23 the Commission issued an Order requiring all long distance providers who had not elected alternative regulation to file averaged rates or to show good cause why their deaveraged rates were just and reasonable, within 60 days. By Order dated December 21, the Commission clarified that new, averaged rate schedules were to take effect by April 20, 1989.

On January 23, 1989 Red Wing Long Distance Service (the Company) filed a new rate schedule intended to comply with the November 23 Order. That rate schedule discounted AT&T's rates for interLATA calls and Northwestern Bell's rates for intraLATA calls.

The Department of Public Service (the Department) examined the rate schedule and recommended disapproval, stating that charging different rates for interLATA and intraLATA calls of the same distance constituted geographical deaveraging. On January 30, 1989 the Company filed a request for a good cause exception to the Commission's policies on geographical deaveraging. The Company stated it could not afford the equipment necessary to average all its rates.

The Department opposed the Company's good cause application.

On April 19, 1989 the Company withdrew its good cause application and proposed that it be granted additional time to file an averaged rate schedule. The Company indicated that that schedule would probably provide a flat per-minute rate for all intrastate calls.

The Department supported the Company's request.

### FINDINGS AND CONCLUSIONS

The Commission finds that it would be appropriate to grant the Company the additional time it seeks. The Company's filings under the November 23 Order have been timely, and the Company appears to be moving in good faith toward compliance with its terms. Although the Company will not have averaged rates in effect by the April 20 date contemplated in the December 21 Order, they should be in place within two to three weeks of that date. This is an acceptable delay, given the practical obstacles the Company has faced in its compliance efforts.

The Commission will grant the Company the additional time requested.

### ORDER

1. Within 14 days of the date of this Order, Red Wing Long Distance Service shall file new rate schedules reflecting averaged rates for all intrastate routes.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen  
Executive Secretary

(S E A L)